



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

**VIA E-MAIL ONLY**

May 29, 2018

Mr. Jamie Schlottman, CEO  
Louisiana Healthcare Connections  
8585 Archives Avenue, 3rd Floor  
Baton Rouge, LA 70809

Dear Jamie:

**RE: Notice of Action - Failure to Reprocess Claims in a Timely Manner**

It has come to my attention that Louisiana Healthcare Connections (LHCC) has failed to reprocess and pay claims with interest in a timely manner as required by the contract with LDH. This failure by LHCC has resulted in unpaid claims totaling \$5,686.65 that were submitted by East Jefferson Hospital for dates of service July 3 – July 8, 2017.

On March 27, 2018, LDH received a provider complaint related to the unpaid claim. LHCC was notified of the complaint on the same day and responded on March 29, 2018, that the claims were denied in error and would be reprocessed. The provider contacted LDH again on May 16, 2018, stating the claims were still unpaid. LHCC was contacted on the same date about the lack of payment and LHCC reported that the claim would be paid with interest by May 18, 2018. To date, the claim has not been reprocessed and paid with interest to the provider.

The contract provides:

**17.2.4 Claims Reprocessing**

17.2.4.1 If the MCO or LDH or its subcontractors discover errors made by the MCO when a claim was adjudicated, the MCO shall make corrections and reprocess the claim within thirty (30) calendar days of discovery, or if circumstances exist that prevent the MCO from meeting this time frame, a specified date shall be approved by LDH. The MCO shall automatically recycle the impacted claims and shall not require the provider to resubmit the impacted claims.

Mr. Jamie Schlottman

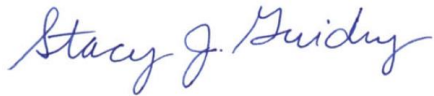
May 29, 2018

Page 2

Failure to reprocess claims in a timely manner carries a monetary penalty of \$5,000 per calendar day of non-compliance. LHCC has been out of compliance with the contract for 32 days. Notice is hereby given to LHCC that, if it cannot demonstrate compliance and reprocess the claim and make payment with interest to the provider by **June 1, 2018**, penalties may be assessed in accordance with Section 20.3 of the contract.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Stacy Guidry  
Section Chief, Health Plan Management

SG/laj

cc: Whitney Martinez  
Jen Steele  
Kimberly Sullivan  
Christina Wilson  
LHC2-08